

## TRACFONE WIRELESS TERMS AND CONDITIONS OF SERVICE

Please read these Terms and Conditions of Service ("Terms") carefully. These Terms are a legally binding agreement ("Agreement") between you and TracFone Wireless, Inc. ("TracFone").

THE TERMS CONTAIN IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS AND REQUIRE THAT CERTAIN DISPUTES BE RESOLVED THROUGH ARBITRATION INSTEAD OF A COURT TRIAL. FOR MORE INFORMATION SEE SECTION 16 BELOW.

By purchasing, activating, or using any a TracFone product ("Product") or service ("Service"), you the customer ("You"), acknowledge and agree to these Terms and Conditions of Service. TracFone reserves the right to change or modify any of these Terms at any time. Any changes or modifications to these Terms are effective and will be binding upon you when posted on our website at tracfone.com (http://www.tracfone.com/). Because these Terms and Conditions of Service are subject to change at any time You should always check our website for the most current version.

For assistance or more information, please contact TracFone Customer Care at 1-800-867-7183.

#### 1. ACTIVATING YOUR TRACFONE SERVICE

You may activate your TracFone Product by calling Customer Care or by visiting our (http://www.tracfone.com/) website and following the instructions that came with your Services Guide or activation kit. Any promotional or bonus minutes that are included with a new TracFone handset or are issued upon activation of your Service are not transferable or refundable. Promotional minutes and bonus minutes have no cash value. Any attempt to transfer promotional, bonus or other free minutes may result in the permanent deactivation of your Service without a refund.

When you activate Service, you will have the option of registering and providing your name, address, email address and alternative contact telephone number. If you elect not to register at the time of activation, you may not be able to obtain copies of your call detail records since we will be unable to authenticate You as the lawful owner of the account. In those situations, we require a valid Subpoena or Court order before records may be released.

TracFone Service can only be activated where TracFone Service is offered and supported by TracFone. TracFone provides Service at its discretion. Some of the functions and features referenced in the Manufacturer's manual provided with your phone may not be available with TracFone Service or their functionality may be limited. Some TracFone features are available only on TracFone handsets and will not be available with BYOP. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. All talk and standby times are quoted in Digital Mode and are approximate.

If you are activating your Service with BYOP, you must use a compatible phone that does not interfere with our Service and complies with all applicable laws, rules and regulations. Devices capable only of using data are strictly prohibited and Your use of any such device is grounds for immediate termination of Service without a refund. You are responsible for ensuring that your BYOP wireless phone is compatible with the Service and meets all Federal laws and standards. You are further responsible for the purchase and maintenance of any additional hardware, software and/or internet access required in order to use the Service. TracFone Service will only work with wireless devices that are compatible with our network. Not all services are available with all wireless devices or on all networks. We may remotely change your wireless phone's software, applications or programming without notice. This could affect your stored data, your phone's programming and how you are able to use your wireless phone.

The wireless telecommunications networks used to transmit calls for the Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"), not TracFone. When You activate your Service, you will be provided with a telephone number or you may, in some circumstances, portin a number from another carrier. Please note that You have no ownership rights to any telephone number, IP address or any other identifier associated with your Service and You acknowledge and agree that we may change any such number, IP address or other identifier associated with your Service at any time without prior notice to You.

Wi-Fi Calling is available only on select devices and gives you the ability to make and receive phone calls and text messages over a Wi-Fi connection. Wi-Fi Calling enhances your coverage in buildings and other locations that have accessible Wi-Fi connections. If you use a Wi-Fi network for making or receiving calls and text messages or for any other reason, you acknowledge and agree that your use of such Wi-Fi network is permissible and that you are solely responsible for such use. Using your Wi-Fi Calling feature may provide you with access to an unsecured Wi-Fi network which could impact your data security.

## 2. TERMINATION OF SERVICE

TracFone may terminate this Agreement at any time without notice if we cease to provide service in your area. Either party may terminate this Agreement (which will terminate Service) at any time and for any reason. Unused Service at the time of termination will not be refunded.

You agree not to use your Phone for any purpose in violation of these Terms or applicable law. We can, without notice, limit, suspend, or terminate your service for violating these terms or for any other good cause, including, but not limited to, if You: (a) engage in any deceptive or fraudulent conduct with respect to the Service; (b) allow anyone to extract, clone, reverse engineer or tamper with your TracFone handset, the software and/or hardware on your Phone or your SIM card; (c) threaten or commit violence against any of our employees, agents or customer service representatives; (d) use vulgar, offensive

or inappropriate language or otherwise engage in harassment when interacting with our representatives; (e) interfere with our operations or Service; (f) engage in abusive messaging, emailing or calling; (g) modify a TracFone handset from its manufacturer's default specification; or (h) use the service in a way that adversely affects our network or the Service available to our other customers. We reserve the right to, without notice, limit, suspend or terminate your Service for any other operational or governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

Any provision of this Agreement which by its context is intended to apply after termination of the Agreement will survive termination, including, but not limited to, restrictions on the use of TracFone products and the provisions governing dispute resolution and requiring arbitration of disputes.

#### 3. AIRTIME VOICE AND TEXT MESSAGING RATES

Feature Phones: TracFone airtime is issued in unit increments. All calls are charged at a rate of one (1) unit per minute. With some older TracFone handset models, roaming calls (refer to the Roaming Section of these Terms) are charged at the rate of two (2) units per minute. There is no additional charge for nationwide long distance or for international long distance to countries designated at tracfone.com (http://www.tracfone.com/). The rate to send or receive a text message varies by TracFone handset model and is disclosed on your TracFone package. For most feature phones, the rate to send or open a text message is 0.3 units.

Smartphones: Smartphones have separate buckets of units for voice calls, text messaging and data usage. Voice calls are charged at the rate of one (1) unit per minute. Text messages are charged at the rate of one (1) unit per text. Data is charged based on actual usage.

TracFone service does not allow international text messaging. Attempting to send international messages could result in Service deactivation.

TracFone does not generally participate in Premium SMS services or campaigns. Premium SMS refers to activities that usually involve sending a text message to a designated "short code" or buying or attempting to buy SMS services from anyone other than TracFone. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns, unless it is a TracFone authorized campaign. Any text message you send to a "short code" will in all likelihood not go through. Any charges you may incur as a result of any attempts to participate in Premium PSMS services or campaigns (not authorized by TracFone), whether you incur charges as deductions from your TracFone handset or from your credit card, are not refundable.

AIRTIME USAGE: Airtime minutes will be deducted for all time during which your Service is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send", "call" or other button to initiate or answer a call and does not end until you press the "end" button or the call is otherwise terminated. Airtime minutes are deducted for all incoming and outgoing calls, including calls to toll free numbers, 411, 611, Customer Care, simultaneous calls (airtime minutes will be deducted for each call separately) and calls to access your voice mail. Airtime minutes are not deducted for calls to 911. For outbound calls, you may be charged airtime for incomplete and/or busy-no answer calls. Airtime minutes are deducted in full unit increments; partial minutes are rounded up to the next minute. Airtime minutes will also be deducted for use of other services such as text messaging and accessing the TracFone Mobile Web ("WAP"). Airtime minutes are deducted for all text messages sent and incoming text messages which are opened. No credit is given for dropped calls.

## 4. ADDING AIRTIME

Your Service will only operate when you have airtime units and service days available. Add airtime to a TracFone by entering the PIN number from a TracFone airtime card ("Airtime Card") or retailer cash register receipt at the Redeem Airtime or Add Airtime menu on your phone. You can also add airtime through the TracFone website or by calling Customer Care.

AIRTIME ON DEMAND: Airtime On Demand is available on certain TracFone handsets. Airtime On Demand allows you to buy Airtime directly from your TracFone by registering your phone and credit card at tracfone.com (http://www.tracfone.com/). Airtime on Demand purchases are governed by these Terms.

PAY AS YOU GO AIRTIME CARDS: TracFone Pay as You Go Airtime Cards are available in various denominations of minutes and service days. For each Airtime Card you purchase and add to your phone, you will receive the number of minutes and service days indicated on the card. The service days will run from the day you add the Airtime card. Each additional Airtime Card you add will further extend your "Service End Date" by the number of days specified without limitation. Your "Service End Date" is the last day of your service period. Airtime minutes added to your phone do not expire with active service and usage within a period of six (6) consecutive months for Smartphones and twelve (12) consecutive months for other phones.

DOUBLE AND TRIPLE MINUTES FOR LIFE: Some TracFones and Airtime Cards include a Double or Triple Minutes for Life feature. Any minutes included with a Double or Triple Minute Airtime Card do not double or triple, however, the feature will apply to the life of the applicable phone and will double or triple the minutes of all future Airtime Cards you purchase and redeem. To be clear, only minutes that are purchased and redeemed after the redemption of a Double or Triple Minute card will double or triple. The Double or Triple minutes feature is not transferable even if Your phone is damaged, lost or stolen. Promotional, bonus and other non-purchased airtime minutes do not double or triple.

You may not add a Double or Triple Minute card to a phone that already has a Double or Triple minute feature or card. Doing so will not result in any additional doubling or tripling of purchased airtime.

Double and Triple Minute Cards and phones that include the Double or Triple Minute feature will not double or triple the value of Data Cards.

A Smartphone with a Triple Minute feature will not triple the amount of voice, text and data associated with a Smartphone Only Service Plans.

MONTHLY VALUE PLANS: TracFone Monthly Value Plans are available in various denominations of minutes and provide 30 days of service. The minutes and service days of your Monthly Value Plan are automatically added to your account on a monthly basis. TracFone's Service Protection Plan delivers 30 days of service if you forget to add a TracFone airtime card in order to keep your service active. To purchase a Monthly Value Plan, you must enroll online by registering your phone and credit card. TracFone may modify its Monthly Value Plan offerings at any time. In the event of any modification that increases the charges associated with your Monthly Value Plan, you will receive thirty (30) days notice prior to being charged the new rate

AUTO-REFILL PLANS: TracFone Auto Refill Plans are available in various denominations of minutes and service days. TracFone also offers Auto-Refill plans that include the Double or Triple Minutes for Life feature. You may enroll in Auto-Refill by registering your credit or debit card online with TracFone and selecting the Service Plan you want. With Auto-Refill, a new Service Plan will be automatically purchased and added to your Account each month on your Service End Date and your credit or debit card will automatically incur a charge for the cost of the Service Plan you elect to purchase on a recurring basis. Please note that your Auto-Refill is determined by the last Service Plan you have purchased and added to your phone. To change this, you must call Customer Service and speak with one of our Customer Care representatives.

REFILLING YOUR ACCOUNT BEFORE YOUR SERVICE END DATE. If you do not purchase and add airtime prior to the Service End Date, your TracFone Service will be deactivated on the Service End Date and you will lose your phone number even if you have minutes remaining. To prevent this from occurring, please keep your TracFone Service active by purchasing and adding an Airtime Cards on or before your Service End Date. Notwithstanding your Service End Date, TracFone reserves the right to discontinue service and deactivate any phone for which there is no voice, text or data usage for a period of six (6) consecutive months for Smartphones and twelve (12) consecutive months for other phones. If your Service is deactivated, your Service can be reactivated by purchasing and adding an Airtime Card. Once reactivated, your phone may be assigned a new phone number. Airtime which remained unused at the time of deactivation will still be available if Service is reactivated within 60 days from the deactivation date otherwise any unused airtime will be lost.

SAFELINK CUSTOMERS PLEASE NOTE: If you are a SafeLink Customer on Plan Option 1 or 2, TracFone Airtime minutes added to your SAFELINK phone do not expire with active service and Usage (as defined in the SafeLink Terms and Conditions) during a consecutive sixty (60) day period. If you are a SafeLink customer enrolled in plan option 3, all of your unused minutes expire at the end of each month upon your receipt of your free 250 monthly minutes unless you have purchased and added a TracFone airtime card to your phone. You may carry over unused airtime minutes on the SafeLink 250 Minute Plan for up to 3 consecutive months. By purchasing and adding a TracFone airtime card before the 25th of the month, your unused airtime minutes (including your free monthly allotment and any additional TracFone Airtime cards) will carry over for 3 consecutive months from the date of your last TracFone Airtime Card redemption. If you purchase and redeem a TracFone Airtime Card on or after the 26th day of any month, your airtime balance will be reset and not be carried over to the next month. The minutes you purchased will be carried over together with your next three allotments of free monthly minutes. Adding more than one Airtime Card at the same time will NOT extend your airtime carry over for more than the 3 consecutive months. The 3 month carry over is effective from the date of redemption of the last airtime card redeemed to your phone.

TracFone airtime has no cash value and is non-refundable. TracFone Airtime Cards, airtime rate plans, and card denominations are subject to change without prior notice.

### 5. DATA SERVICES

With certain TracFone handset models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through TracFone Mobile Web ("WAP"). Data Services are additional Services offered by TracFone, and there is an additional charge or debit of units or data for use of such Services.

In order to purchase, download or access TracFone Data Services, You must have active service and sufficient available airtime or data (for Smartphones). Each time you access the WAP, usage will be deducted ("Access Charges").

Access Charges begin when your phone makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your device to open or close the browser.

In addition to the Access Charges, there may be additional charges for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content you purchase and download. You will be advised of the Content Charges prior to finalizing your purchase.

The Data Services you purchase and download may only be used or viewed on the device for which they were purchased and cannot be transferred to any other device, including a new or replacement device. Data Services are non-refundable and non-transferable.

Purchasing Data Services with Airtime Minutes on Feature Phones. The charges for Data Services purchases are determined by the last airtime card redeemed and the appropriate dollar-to-minute conversion factor. The charges for Data Services in U.S. Dollars and/or minutes and the dollar-to-minute conversion factor(s) are subject to change at any time without prior notice. The current Dollar-To-Minute Conversion Factors for Data Services may be accessed on the TracFone website. Click on "Airtime" and from the drop down menu select "Apps & More" and then "Cost." The chart details the number of minutes you will be charged for each dollar you spend for the Data Services you purchase.

Charges for MMS (e.g., picture messaging) on Feature Phones . You will be charged 1.0 unit to send or receive a multi-media message (the "MMS Charge") and a WAP Access Charge (described below) based upon the time it takes to send or receive the multi-media message.

Additional Access Charges for Data Services and MMS on Feature Phones. In addition to Content and MMS Charges, there is always an additional Access Charge of 0.5 units per minute associated with downloading content, accessing/viewing Information Services or utilizing MMS. Total Access Charges will vary depending on the size of the content and the actual time it takes to download the content, access/view the Information Service or utilize MMS.

Data Plans for TracFone Smartphones. TracFone Smartphone users may purchase TracFone Data Cards which will provide a specified amount of data access without minute deductions. Data Cards provide a set amount of data access identified on the face of the card, denominated in megabytes or gigabytes. Data Cards can be added to your phone at any time, as long as the Service is active. Data Cards do not include minutes or service days which must be purchased separately through airtime cards. Data Cards do not triple. Unused data will expire upon your Service End Date. Data Cards are available online and at retail locations.

Modifications, Interruptions, or Discontinuation of Data Service. TracFone does not guarantee the availability of Data Services at any time and reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in all areas. TracFone is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, for which you subscribe, are modified, interrupted, discontinued or canceled, TracFone will not provide refunds for any used or unused subscription time. If you cancel, or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with these Terms.

Non-Rated Content. TracFone content is not rated and you are solely responsible for the use of such material, which may be offensive or objectionable to you or to others. You agree not to hold TracFone liable for any offensive or objectionable content.

### 6. INTERNATIONAL CALLS

You may place international long distance ("ILD") calls to landlines (and some cellular phones in certain countries) at no additional charge. See tracfone.com (http://www.tracfone.com/) for available countries and details which are subject to change without prior notice. In order to place an ILD call, you will need to dial the ILD access number 1-800-706-3839 and follow the instructions. From Alaska, Hawaii and the U.S. Virgin Islands, you will need to dial 305-938-5673 as the ILD access number. Airtime deductions for ILD calls begin the moment the ILD access number is dialed. Airtime deductions will apply for dropped or misdialed calls and busy destination numbers. When placing ILD calls, you may experience connection failures more frequently than with domestic calls. TracFone will not credit airtime minutes deducted for unsuccessful calls. Although ILD calling is available to some countries, You will not be able to make or receive calls on your TracFone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands.

TracFone International Neighbors is a service that enables callers in Mexico to set up a local number to ring on a TracFone in the US. See the TracFone website or call 1-800-867-7183 for further details.

### 7. EMERGENCY CALLS

If you are in an area where your TracFone is searching for a wireless signal or there is no wireless signal or wireless service, it is highly probable that a call to 911 will not go through. Do not rely solely on your TracFone in an emergency situation. In an emergency, locate the nearest landline phone and call for help.

Although TracFone recommends that you use your cellular service as your primary method of contacting 911, you may be able to use Wi-Fi calling if your phone is equipped with this feature. To dial 911 using Wi-Fi Calling, you must provide us with an address for your primary use of Wi-Fi ("Primary Address") at the time of activation. If the location at which you primarily use Wi-Fi changes, either temporarily or permanently, you must register the new address online at e911-reg.tracfone.com or by contacting Customer Care at 1-800-867-7183. It may take 24 hours or more to update the address information. If you do not give us your Primary Address, we will block your ability to use Wi-Fi calling. When you use Wi-Fi Calling to dial 911 and your are away from your Primary Address, we will have no information about your location. As such, always be prepared to report your precise location to emergency responders.

Please be aware that dialing 911 via Wi-Fi uses the internet and operates differently than traditional 911 calling services. For example, 911 service via Wi-Fi may be limited or not available due to various circumstances, including, relocation of equipment, loss or disruption of power, internet or wireless service, internet congestion or a connection failure, delays in availability of registered location information, and/or other technical problems.

## 8. UNAUTHORIZED USAGE; TAMPERING

TracFone Products and Service are sold exclusively for use by you, the end consumer. The unauthorized unlocking or resale of your TracFone Product constitutes a violation of your agreement with TracFone and will invalidate the Limited Warranty associated with your Product. You agree not to unlock, reflash, tamper with or alter your TracFone Product in a manner which conflicts with TracFone's Unlocking Policy referenced below. You also agree not to enter unauthorized Service Plan PINs or engage in any other unauthorized or illegal use of your TracFone Product or the Service, or assist others in such acts, or to sell and/or export TracFone Products outside of the United States. Improper, illegal or unauthorized use of your TracFone Product may result in immediate termination of your Service without notice and legal action. TracFone will strictly enforce its rights under this provision and will prosecute violators to the full extent of the law.

If your TracFone Product has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to, and not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. Any violation of the restrictions on the use of your SIM card that are contained in this section may result in the immediate termination of your service without notice. The Carriers, TracFone Wireless, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card.

In the event of termination for any other unauthorized usage, You will forfeit unused airtime and service and you will not be entitled to receive a refund for your TracFone Product or for any unused airtime and service.

### 9. COVERAGE MAPS

You will find coverage maps on our website, tracfone.com (https://www.tracfone.com/direct/CoverageMaps?app=TRACFONE&lang=en). These maps are for general informational purposes only. However, TracFone does not guarantee coverage, service availability or the rate charged for any particular call. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. Thus, it is possible your phone will roam even in the area depicted as your home calling area. Actual coverage and service areas may vary from the maps and may change without notice.

### 10. ROAMING

Roaming occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming usually occurs when you make and receive calls outside of your network coverage area. When your TracFone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. For most TracFone handset models, roaming calls are charged one (1) unit of airtime per minute, the same as all other calls. For some older TracFone handset models, roaming calls may be charged at the rate of two (2) units of airtime per minute. Even if you are using your TracFone in your network coverage area, roaming can occur if there is a high volume of callers in the area, if your Carrier's signal is too weak or for other reasons. Instead of having a call blocked or dropped, your device might use another's Carrier's tower or network to enable your call to go through. Thus, roaming is based on the Carrier tower receiving and transmitting the call; not your physical location at the time the call is made. If you have one of the older TracFone handset models that deduct 2 units per minute of use when roaming, you should check the roaming indicator on your TracFone to determine actual areas where the roaming rate applies. When the roaming indicator is displayed, the roaming rate will apply to calls made or received in that area at that time. Availability, quality of coverage and Services while roaming are not guaranteed. TracFone Smartphones and BYOP phones do not roam.

## 11. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, Service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. TracFone reserves the right to substitute or replace any TracFone equipment (including handsets) with other TracFone equipment of comparable quality. TracFone cannot and does not guarantee that your communications will be private or secure. Although it is illegal for unauthorized people to intercept your communications, such interceptions can occur. Some functions and features referenced in the Manufacturer's manual for a particular TracFone may not be available on your device. TracFone does not warrant or guarantee availability of the network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither TracFone, nor any Carrier, shall have any liability for Service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your phone outside during a lightning storm. You should also unplug your phone's power cord and charger to avoid electrical shock and/or fire during a lightning storm.

# 12. LIMITED WARRANTY

A new or reconditioned TracFone handset is covered by a one year limited warranty administered by TracFone, as set forth below. TracFone accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser.

Certified pre-owned phones are not covered by the limited warranty but may be returned for a refund within 30 days of purchase. A phone registered with TracFone under the "Bring Your Own Phone" program is not covered by TracFone.

How to Obtain Warranty Service. To obtain warranty service from TracFone on a new or reconditioned phone or TracFone accessories, please contact Technical Support at 1-800-867-7183. If your problem cannot be resolved over the phone, our TracFone technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated TracFone Service Center for repair or replacement, at TracFone's discretion.

Terms of Limited Warranty . TracFone warrants to you, the Customer, that your TracFone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

- (1) The limited warranty for the Product extends for one (1) year beginning on the date of the purchase of the Product.
- (2) The limited warranty extends only to the original purchaser ("Consumer") of the Product and is not assignable or transferable to any subsequent purchaser or end-user.
- (3) The limited warranty extends only to Consumers who purchase the Product in its original packaging from an authorized dealer.
- (4) During the limited warranty period, TracFone will replace or repair, at TracFone's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. TracFone may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. TracFone's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to TracFone for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage and depreciation. TracFone shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of this limited warranty.
- (5) Upon request from TracFone, the Consumer must prove the date of the original purchase of the Product by a dated bill of sale or dated itemized receipt.

- (6) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:
- (a) The Product has been subjected to abnormal use or conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, connections or repairs, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of TracFone, including damage caused by shipping.
- (b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source, damage caused by computer or internet viruses, bugs, worms, Trojan Horses, cancelbots or damage caused by the connection to other products not recommended for interconnection by TracFone.
- (c) TracFone was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within fourteen (14) days after the expiration of the applicable limited warranty period.
- (d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.
- (e) The defect or damage was caused by viruses or other software problems introduced into the Product.
- (7) TracFone does not warrant uninterrupted or error-free operation of the Product or Service.
- (8) TRACFONE EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. TRACFONE SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF TRACFONE KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. TRACFONE SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.
- (9) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may also have other rights which vary from state to state.
- (10) TracFone neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.
- (11) This is the entire warranty between TracFone and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

### 13. DISCLAIMER OF WARRANTIES

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, TRACFONE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE.

## 14. LIMITATION OF LIABILITY

TracFone will not be liable to you for any indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and Services. TracFone will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any Service or equipment provided by or manufactured by third parties.

# 15. INDEMNIFICATION

You agree to indemnify and hold harmless TracFone from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a TracFone and/or TracFone Services including with a BYOP device, whether based in contract or tort (including strict liability) and regardless of the form of action.

## 16. DISPUTE RESOLUTION

Most customer concerns can be resolved quickly and to the customer's satisfaction by contacting Customer Care department at 1-800-867-7183. Before taking any formal action, You agree to first contact us in writing and provide a description of your dispute, all relevant documents, and Your proposed resolution. If we are unable to resolve Your dispute within 30 days of Your notice to us, You agree to submit Your dispute to binding arbitration or small claims

court as set forth in this provision. Please forward Your dispute to: TracFone Wireless, Inc., Attn: Legal Department-Consumer Claims, 9700 NW 112 Avenue, Miami, FL 33178.

### BINDING ARBITRATION

PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION) THROUGH BINDING ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THAT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF TRACFONE'S AGREEMENT WITH YOU. YOU AGREE THAT YOU ARE AWARE THAT THERE IS NO JUDGE NOR JURY IN ARBITRATION BUT THAT AN ARBITRATOR MAY AWARD YOU THE SAME DAMAGES AND RELIEF THAT YOU MAY BE ABLE TO RECOVER IN A COURT OF LAW. YOU AND TRACFONE FURTHER AGREE THAT THE ARBITRATOR MUST HONOR THE TERMS OF THIS AGREEMENT. NOTWITHSTANDING THE FOREGOING, EITHER PARTY MAY BRING A CLAIM IN SMALL CLAIMS COURT.

This provision is intended to encompass all disputes or claims arising out of Your relationship with TracFone, arising out of or relating to the Service or any equipment used in connection with the Service (whether based in contract, tort, statute, fraud, misrepresentation, or any other legal or equitable theory). References to You and TracFone include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns.

All claims will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to TracFone by contacting our Legal Department, as set out above, to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, the "AAA Rules"), as modified by this agreement. The AAA Rules are available online at www.adr.org, by calling the AAA a 1-800-778-7879, or by contacting TracFone's Legal Department as set out above. You and TracFone agree that use of the Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. Additionally, for claims of \$10,000 or less, You can choose to proceed with arbitration being decided on the documents submitted in an effort to minimize costs and the time it may take for an arbitrator to reach his or her decision.

You and TracFone agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide, or representative basis. Further, You and TracFone agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding. If the preclusion of consolidated, class wide, or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void.

Absent a finding that Your demand is frivolous, brought for an improper purpose, or malicious as set forth by the standards of Federal Rule of Civil Procedure II(b), TracFone will pay the filing, administration, and arbitrator fees of an arbitration initiated in accordance with this Agreement. If, however, the arbitrator does deem that Your demand was frivolous, was brought for an improper purpose, or was malicious under the same standard used in a court of law, payment of all fees will be divided between You and TracFone in accordance with AAA Rules. Additionally, TracFone hereby waives any right to seek its attorney's fees from You in the event that it prevails in the arbitration, except where Your demand is deemed frivolous, brought for an improper purpose, or malicious under the standard set out above. Nothing in this section shall be construed by an arbitrator as barring an award of attorney's fees to You, the customer, where the law would so provide. If You initiate an arbitration in which You seek more than \$50,000 in damages, the payment of fees will be governed by the AAA rules.

If TracFone made You a settlement offer that You rejected prior to entering arbitration and the arbitrator ultimately finds in Your favor in any respect with an award that is greater than the last written offer made to You by TracFone, TracFone will pay You the amount of the award or a minimum of \$5,000, whichever is greater. Additionally, TracFone will pay Your attorney twice the reasonable expense of attorney's fees as well as reimbursing any expenses that Your attorney reasonably incurs for investigating, preparing, and pursuing Your claim. If TracFone opted not to make You a written settlement offer, these same terms apply, meaning that You are guaranteed a minimum award of \$5,000 if the arbitrator finds in Your favor and that TracFone will reimburse Your reasonable attorney's fees twofold. The arbitrator will be the arbiter of what constitutes reasonable fees, and You and TracFone agree that the arbitrator may make any rulings as to the payment and reimbursement of fees and expenses for an additional 14 days after the arbitrator's ruling on the merits.

Unless You and Tracfone agree otherwise and in an effort to reduce the burden of arbitration on You, the location of any arbitration shall be in the county of Your, the customer's, residence for those customers located within the United States. For customers residing outside of the United States, the location of arbitration shall be Miami, Florida, unless You and TracFone agree otherwise. Either or both parties may participate in the proceedings by telephone. The arbitrator shall apply the law of the State in which You, the customer, reside to the dispute.

If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, You and TracFone waive to the fullest extent permitted by law, (i) any right to pursue any claims on a class or consolidated basis and (ii) Your right to serve in a representative capacity in any class or consolidated basis. Neither You nor TracFone shall disclose the existence, contents, or results of any arbitration except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

In the event that any claim proceeds in a court of law rather than through arbitration, You and TracFone agree that there will not be a jury trial. You and TracFone unconditionally waive any right to a trial by jury in any action, proceeding, or counterclaim arising out of or relating to this Agreement in any way. You and TracFone further agree that in the event of litigation, this section of the Agreement may be filed as an exhibit illustrating a knowing and written consent of any right to a trial by jury.

YOU HAVE THE RIGHT TO OPT OUT OF THIS PROVISION COVERING DISPUTE RESOLUTION BY BINDING ARBITRATION WITHIN 30 DAYS OF THE ACTIVATION OF YOUR SERVICE. IN THE EVENT YOU ACTIVATE SERVICE WITH TRACFONE AND DO NOT OPT OUT OF THIS PROVISION WITHIN 30 DAYS, YOUR INACTION SHALL BE DEEMED TO BE CONSENT TO THIS PROVISION COVERING DISPUTE RESOLUTION. YOU MAY OPT OF THIS PROVISION BY CALLING US AT 1-800-867-7183 OR BY WRITING TO TRACFONE WIRELESS, INC., ATTN: LEGAL DEPARTMENT-CONSUMER CLAIMS, 9700 NW 112 AVENUE, MIAMI, FL 33178. ANY OPT-OUT RECEIVED AFTER THE OPT-OUT DEADLINE (OR, IN THE CASE OF THOSE MAILED, POSTMARKED AFTER THE OPT-OUT DEADLINE) WILL BE INVALID, AND YOU MUST PURSUE YOUR CLAIM IN ARBITRATION.

### 17. GOVERNING LAW

This Agreement shall be construed under the laws of the state in which you, the customer, reside, without regard to the state's choice of law rules, except for the arbitration provision contained in these Terms, which will be governed by the Federal Arbitration Act. If you reside outside of the United States, then this Agreement will be governed by the laws of the state of Florida.

### 18. PRIVACY POLICY

To view the TracFone Privacy Policy, refer to the TracFone website found at tracfone.com (http://www.tracfone.com/facelift/privacy\_policy.jsp? lang=en).

## 19. TRACFONE UNLOCKING POLICY

<u>For Customers with TracFone Handsets Capable of Being Unlocked</u>: TracFone will provide an unlocking code to customers who request unlocking, provided they meet the following conditions:

- (a) Customers must request handset unlocking. TracFone will unlock handsets of current and former TracFone customers without charge. Non-former customers may request unlocking, but TracFone may charge a reasonable fee.
- (b) The TracFone Handset must have been activated on TracFone Service for no fewer than 12 months with Service Plans redeemed in no fewer than 12 months.
- (c) Customers must possess a TracFone Handset that is not reported stolen, lost, or associated with fraudulent activity.
- (d) If a customer in good standing requesting handset unlocking is deployed as military personnel, upon provision of deployment papers, TracFone will honor that customer's unlocking request.

TracFone may refuse any unlocking request that would result in an abuse of its Unlocking Policy or is part of an effort to defraud TracFone or its customers. TracFone's Unlocking Policy is subject to change at any time without advance notice.

<u>For Customers with TracFone Handsets not Capable of Being Unlocked</u>: Beginning September 1, 2015, TracFone will provide customers with a partial refund or credit against the purchase of a new TracFone Handset if they meet the following conditions:

- (a) Customers must request handset unlocking.
- (b) Customers must have had their locked device activated on TracFone Service for no fewer than 12 months, redeemed air time cards in no fewer than 12 months, and not have had their telephone number recycled or ported.
- (c) Customers must request this interim unlocking solution while their TracFone Service is active or within 60 days after their Service expires. This 60-day grace period applies even if the customer's telephone number was recycled or ported.
- (d) Customers must currently own a TracFone Handset model launched on TracFone's Service after February 11, 2014 or activated with TracFone's Service after February 11, 2015.
- (e) Customers must possess a TracFone Handset that is in working condition.
- (f) Customers must possess a TracFone Handset that is not reported stolen, lost, or associated with fraudulent activity.
- (g) If a customer in good standing requesting handset unlocking is deployed as military personnel, upon provision of deployment papers, TracFone will honor that customer's unlocking request by sending a refund for the trade-in value of the used, locked phone returned by the customer without regard to the 12 months of service activation and Service Plan redemption eligibility requirements. However, all other eligibility criteria apply to TracFone's customers who are deployed military personnel.
- (h) Customers are eligible for this program only once every twelve (12) months.

After an eligible customer contacts TracFone to request the trade-in value of his or her handset, TracFone will provide a prepaid mailer for the customer to return the used, locked handset. Upon receipt of the device, TracFone will send the customer a check for the trade-in value of the handset. The trade-in value is determined by a formula reached through agreement with the FCC. Next year, after handsets capable of being unlocked have been launched by TracFone, an eligible customer may elect to have the trade-in value of their handset applied to the cost of a new TracFone Handset that is capable of being unlocked.

Customers who would like to check if they are eligible or submit an unlocking request can do so through an online portal at the TracFone website or by calling 1-888-442-5102.

## 20. ENTIRE AGREEMENT

This Agreement, the Privacy Policy, the Limited Warranty, and the Unlocking Policy, constitute the entire Agreement between You and TracFone Wireless, Inc. with respect to any TracFone Product and/or Service. The failure of either party to enforce any of the terms set forth herein shall not be construed to be a waiver of any such terms nor in any way affect the validity and enforceability of these Terms. No waiver of a breach of any term shall be deemed a waiver of any other or subsequent breach of a term. In the event any provision contained in this Agreement is deemed unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable.

• 2015 TracFone Wireless, Inc.

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